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LIBYA

New Threats From Kaddafi

The disintegrating relationship between the Reagan Administration and Libya's Muammar Kaddafi slid toward terminal disrepair last week: U.S. intelligence sources now say that Kaddafi is plotting to assassinate the President and other top American officials. Kaddafi first talked loosely about killing Reagan after American F-14s blasted two of his warplanes out of the sky over the Gulf of Sidra last August. But now, senior American officials told NEWSWEEK, Kaddafi's talk appears to be more than bluster. These officials say Kaddafi has expanded his hit list to include Vice President George Bush, Secretary of State Alexander Haig and Defense Secretary Caspar Weinberger—and that he has equipped special assassination squads with bazookas, grenade launchers and even portable SAM-7 missiles capable of bringing down the President's plane.

The Administration, persuaded by the intelligence that the threat is very real, has increased security around the President and other potential targets—and has begun putting final touches on plans to tighten a political, economic and possibly military vise around Kaddafi. "He is really getting out of hand," said one aide. "For the first time, the highest officials in our government are threatened."

Warnings: The Administration has tried to defuse Kaddafi since it first took office, but the effort to solve "the Kaddafi problem" gained greater urgency when the intelligence officials reported the new plots. Earlier warnings of plots against the American ambassadors to Rome, Paris, Vienna and London (NEWSWEEK, Nov. 9) were uncomfortably on target. Last September Italian police intercepted a squad sent by Kaddafi to murder U.S. Ambassador Maxwell Rabb. And although there is no hard evidence, intelligence officials are confident that Kaddafi was behind the attempted assassination two weeks ago of Christian Chapman, the ranking American diplomat in Paris. Officials say that no suspected hit teams have been spotted entering the United States—but they warn that Kaddafi already has agents among the Libyan exile community in America.

The proposals for confronting Kaddafi, which will be presented to Reagan shortly, contain no quick fixes. A military attack remains only a far-out contingency plan, although the Sixth Fleet might return in force to the

aggressive maneuvers as early as next February. The CIA has briefed Congress on the possibility of promoting a coup against Kaddafi, but such an operation would have little chance of success because of Kaddafi's highly effective security service run by the East Germans, the absence of any credible political opposition and the lack of a cohesive exile movement.

U.S. officials say they have not even considered matching Kaddafi's assassination scenarios with one of their own. "The trou-

panies is sure to increase.

America could also stop buying Libyan crude. Last year Kaddafi sold 40 percent of his oil to U.S. refiners for \$7 billion. Some officials argue that Libya would simply sell its oil elsewhere. Others believe the current oil glut provides the perfect opportunity for

a successful embargo. "The overall oil-supply situation is likely to retain some slack," writes G. Henry Schuler, an outside expert who has developed an options paper on Libya that officials say closely corresponds to their own. Several insiders contend that the key aspect of an oil cutoff would be to remove the perception that the United States indirectly supports Kaddafi's antics. "We are paying for his depredations," laments one senior official. "An embargo would be very important politically—and slightly meaningful economically."

Embargo: The Administration is considering an even broader step in the same direction: a total embargo on all trade with Libya. Despite the growing concern about Kaddafi, U.S. exports to Libya nearly doubled to \$610 million during the first nine months of this year compared with the same period in 1980. The United States already has imposed a ban on military sales to Libya, but the ban is porous: Washington denied permission to the Oshkosh Truck

Corp. of Wisconsin to export 400 heavy-duty trucks to haul Libyan tanks, but allowed the same company to sell 400 somewhat modified trucks "to haul oil rigs." And although the C-130 military transport is subject to the embargo, Kaddafi has purchased its civilian version, the L-100. Opponents of the idea, however, say a trade embargo simply invites sales by alternative suppliers—including the overseas subsidiaries of American firms.

The Administration has also announced an increase in military aid to countries such as the Sudan and Tunisia that are directly threatened by Kaddafi's adventurism. In addition, the United States will probably begin dispatching "information teams" to brief Kaddafi's targets on Libya's covert efforts at penetration and subversion. Finally, the Administration is also



Kaddafi: Washington and Tripoli start playing for keeps

ble with assassination is it's illegal and it puts us in the same category as him. It suggests we are so weak we can only use his own tools against him," says one Reagan hand. Even so, officials openly admit that they would be delighted if someone else killed Kaddafi—and at least one Administration insider has been in direct contact with Libyan exiles in Western Europe who are determined to oust Kaddafi.

The Administration's most promising plan is a long-range strategy of progressively tougher measures designed to sap Kaddafi's influence—and his bank account. "We can close in on him gradually and increase the confidence of people working against him both inside and outside Libya," says one official. As another points out, "He's already having a hell of a time meeting his commitments. If you get at his cash flow,

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